

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED],
Claimant

Reg. No.: 2010-17202
Issue No.: 3003
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date:
March 15, 2010
Wayne County DHS (57)

ADMINISTRATIVE LAW JUDGE: Jan Leventer

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to Michigan Compiled Laws (MCL) 400.9 and 400.37 and upon Claimant's request for a hearing. After due notice, a telephone hearing was conducted from Detroit, Michigan, on March 15, 2010. The Claimant appeared and testified. On behalf of the Department of Human Services (DHS), [REDACTED], and [REDACTED], appeared and testified.

ISSUE

Whether DHS properly reduced Claimant's Food Assistance Program (FAP) benefits?

FINDINGS OF FACT

The Administrative Law Judge, based on competent, material and substantial evidence in the record and on the entire record as a whole, finds as fact:

1. Since about November 9, 2009, Claimant received \$217 per week in Unemployment Insurance (UI) benefits and FAP benefits of \$200 per month.

2. On or about January 26, 2010, DHS printed out a Bridges Unearned Income Budget Summary and a Bridges Unemployment Compensation Search report.
3. The Bridges Unearned Income Budget Summary indicated that Claimant received \$1040.60 per month in UI benefits.
4. DHS, via the Bridges Unemployment Compensation Search computer program, used \$1,040.60 to calculate Claimant's adjusted monthly income for FAP purposes, and determined Claimant's adjusted monthly income to be \$908.
5. On February 1, 2010, Claimant's FAP benefits were decreased from \$200 per month to \$16 per month.
6. Claimant continues to receive \$217 per week from the Unemployment Insurance Agency (UIA).
7. Claimant does not receive the total \$1,040.60 per month because court-ordered child support is deducted from that amount, resulting in a net UI benefits payment to Claimant of \$217 per week.
8. At the beginning of the Bridges Search report, in bold print, there is a statement starting with a double asterisk, as follows: **“**This could indicate child support expense paid.”**
9. The double-asterisk note is referenced six times in the Search report in the **“**Other Expense Paid”** Payment Information section of the report.
10. The **“**Other Expense Paid”** column indicates by the word “Yes” that on twelve occasions other expenses were paid.
11. Claimant requested a hearing by written Notice to DHS on January 25, 2010.

12. Claimant produced verification of court-ordered child support to DHS at the March 15, 2010, hearing.

CONCLUSIONS OF LAW

The Food Assistance Program (FAP), formerly known as the Food Stamp program, was established by the Food Stamp Act of 1977 and is implemented by Federal regulations found in Title 7 of the Code of Federal Regulations (CFR). DHS administers FAP pursuant to MCL 400.10 *et seq.* and Michigan Administrative Code Rules 400.3001-3015. DHS policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

In this case, DHS decreased Claimant's FAP benefits in February, 2010, based on his receipt of UI benefits. DHS has agreed to reinstate Claimant's FAP benefits effective April 1, 2010, based on the verification he submitted at the hearing of March 15, 2010. However, Claimant asserts DHS should have been aware of his child support obligation before this date via communication from UIA. Claimant asserts he is entitled to full benefits for February and March, 2010.

BEM 503, p. 5, "Child Support – All TOA [Types of Assistance]," states that "Child support is income to the child for whom the support is paid." BEM 503, p. 5.

BEM 503, p. 29, "Verification Sources – All TOA– Child Support Certified, Client Participation Payment, Direct (court ordered), Refund and Reimbursement," states that a letter or document from the person or agency making the payment is acceptable verification. BEM 503, p. 29.

I find that DHS had child support information from their own Bridges system, informing them that UIA was paying another payee from Claimant's UI benefits, and that it could be a

child support payment. The Bridges document states in bold print at the top with a double asterisk that these deductions “**could indicate child support expense.**” The “**Other Expenses Paid” column heading appears six times in the Bridges Search report and, in that column, the answer “Yes” appears twelve times. DHS failed to request verification from Claimant on January 26, 2010, when they received this information from the Bridges system. Instead, they reduced Claimant’s FAP benefits without giving him the opportunity to verify the child support payments.


I find that the Bridges Search report contained two pieces of information: first, Claimant’s total monthly UI benefits; and second, clear information, repeated twelve times, that UIA was paying child support from this amount. I consider this document, which was generated by DHS’s own information technology, just as reliable and acceptable an information source about child support expense, as it is for information about UI benefits. I conclude that DHS cannot rely on the accuracy of UI benefit income data from a Bridges Search and reduce Claimant’s benefits while disregarding child support information in the same document. *Id.*

I conclude that, as of January 26, 2010, Claimant’s child support was known to DHS and Claimant should have been permitted an opportunity to verify his child support payments for the months of February and March, 2010.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, REVERSES DHS’s action reducing Claimant’s FAP benefits to \$16 per month. The Department is ORDERED to initiate another determination of Claimant’s eligibility for program benefits in accordance with applicable law and policy. DHS is ORDERED to allow Claimant to present verification of child support obligations for February and March, 2010, and, if he can

provide such verification, his FAP benefits shall be REINSTATED to their full level effective February 1, 2010. If Claimant cannot produce such verification, his FAP benefits shall be REINSTATED to their full level effective April, 2010.



Jan Leventer
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: March 24, 2010

Date Mailed: March 24, 2010

NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

JL/pf

cc:

